Canadian Investors: This Could Be the Biggest Moneymaking Opportunity of the Decade

Description

Canadian investors have faced significant challenges in 2022. Global markets have been fraught with turbulence. First, investors were able to gorge on red-hot energy stocks due to soaring oil and gas prices on the back of high demand and the aftershocks of the Russia-Ukraine war. However, central banks moved to enact aggressive interest rate hikes in order to tamp down sky-high inflation levels. This sparked a spring correction that dragged into the summer and the fall season. However, there has been a promising recovery since the middle of October.

Today, I want to focus on a stock that could be one of the biggest moneymaking opportunities of the 2020s. This TSX stock grants investors exposure to one of the fastest-growing spaces in North America. Moreover, the stock looks cheap in early December.

WELL Health Technologies (TSX:WELL) is a Vancouver-based corporation that operates as a practitioner focused digital health company in Canada, the United States, and around the world. This is the stock I want Canadian investors to zero in on ahead of the holiday season. Let's jump in.

How has this Canadian healthcare stock performed in a choppy 2022?

Shares of WELL Health have plunged 40% in 2022 as of close on December 5. That has pushed the stock down 42% in the year-over-year period. WELL Health stock is up 3% in the month-over-month period. Canadian investors can look at how this stock has performed in the interactive chart below.

Here's why I'm super excited about the future for WELL Health

WELL Health is focused on the telehealth space. Telehealth is the use of digital information and communication technologies to access health care services remotely. These services saw a huge spike in usage during the COVID-19 pandemic. The worst of the pandemic has passed, but that does not mean the telehealth industry is going away. On the contrary, it is geared up for big growth in this decade and beyond.

Market researcher Grand View Research (GVR) recently estimated that the global telehealth market was valued at US$83.5 billion in 2022. GVR projects that this market will deliver a compound annual growth rate (CAGR) of 24% from 2023 through to 2030. Meanwhile, Fortune Business Insights estimates that the global telehealth market will achieve a CAGR of 32% in the 2021-2028 forecast period.

Should Canadian investors be encouraged by its recent earnings?

This company released its results for the third quarter (Q3) of fiscal 2022 on November 10. WELL Health reported record quarterly revenues of $145 million — up 47% from the prior year. EBITDA stands for earnings before interest, taxes, depreciation, and amortization. This measure aims to grant a more accurate picture of a company's profitability. WELL Health posted adjusted EBITDA of $27.5 million in Q3 2022. That was up 23% compared to the third quarter of fiscal 2021.

The Virtual Services unit reported organic growth of 75% in the quarter. It now represents the largest of its three lines of business and makes up 36% of WELL Health's total revenue. This strong quarter spurred the company to bolster its guidance for 2022. Moreover, it projects its run-rate revenue to approach $700 million at the end of 2023.

WELL Health: Why I'm buying ahead of the new year

This top TSX stock is trading in attractive value territory compared to its industry peers. Meanwhile, it is on track for very strong revenue and earnings growth in the quarters and years ahead. WELL Health is a stock that could make a fortune for an opportunistic Canadian investor who wants to take a chance in late 2022.

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